



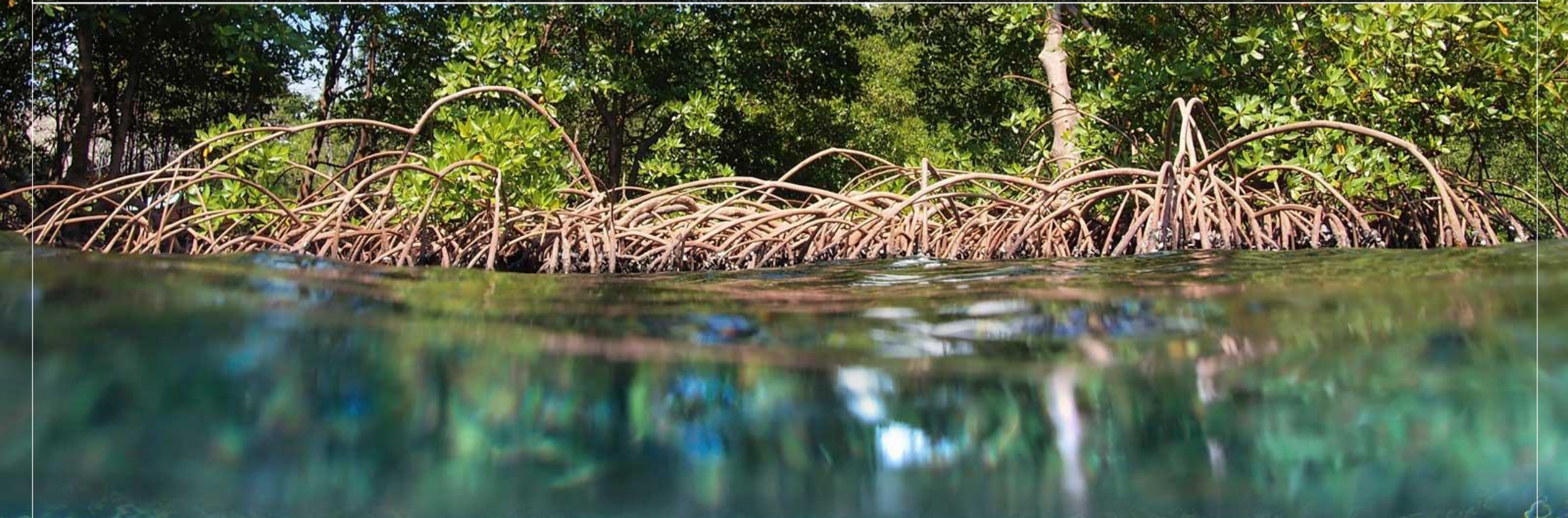
United Nations Environment  
World Conservation Monitoring Centre



# PROTEUS ANNUAL MEETING

20<sup>th</sup> – 22<sup>nd</sup> June 2018, David Attenborough Building, Cambridge, UK





## **INTEGRATING BIODIVERSITY INTO NATURAL CAPITAL APPROACHES**

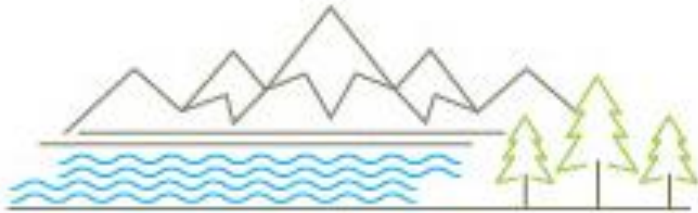
# Integrating biodiversity into natural capital assessments

**Dr Gemma Cranston**  
21 June 2018

# Biodiversity, Natural Capital and Ecosystem

## STOCKS

Natural capital



Biodiversity

## FLOWS

Ecosystem and abiotic services



## VALUE

Benefits to business and to society



What does this mean for  
business?

# The opportunities



## THE CHALLENGES

The quantity and quality of three key natural capital elements are being degraded at an alarming rate thereby impacting business

### BIODIVERSITY

# Half

the populations of mammals, fish, birds, reptiles and amphibians have been lost since 1970<sup>1</sup>.

**The total annual economic cost of biodiversity loss and ecosystem degradation is up to 7.5% of global GDP<sup>2</sup>.**



### WATER

# One-fifth

of the world's aquifers are being overexploited<sup>4</sup>.

**68% of Global 500 company respondents reported that water-related issues pose a substantive risk to their business<sup>5</sup>.**

### SOIL

# 10 million

hectares of arable land are being eroded or degraded every year<sup>2</sup>.

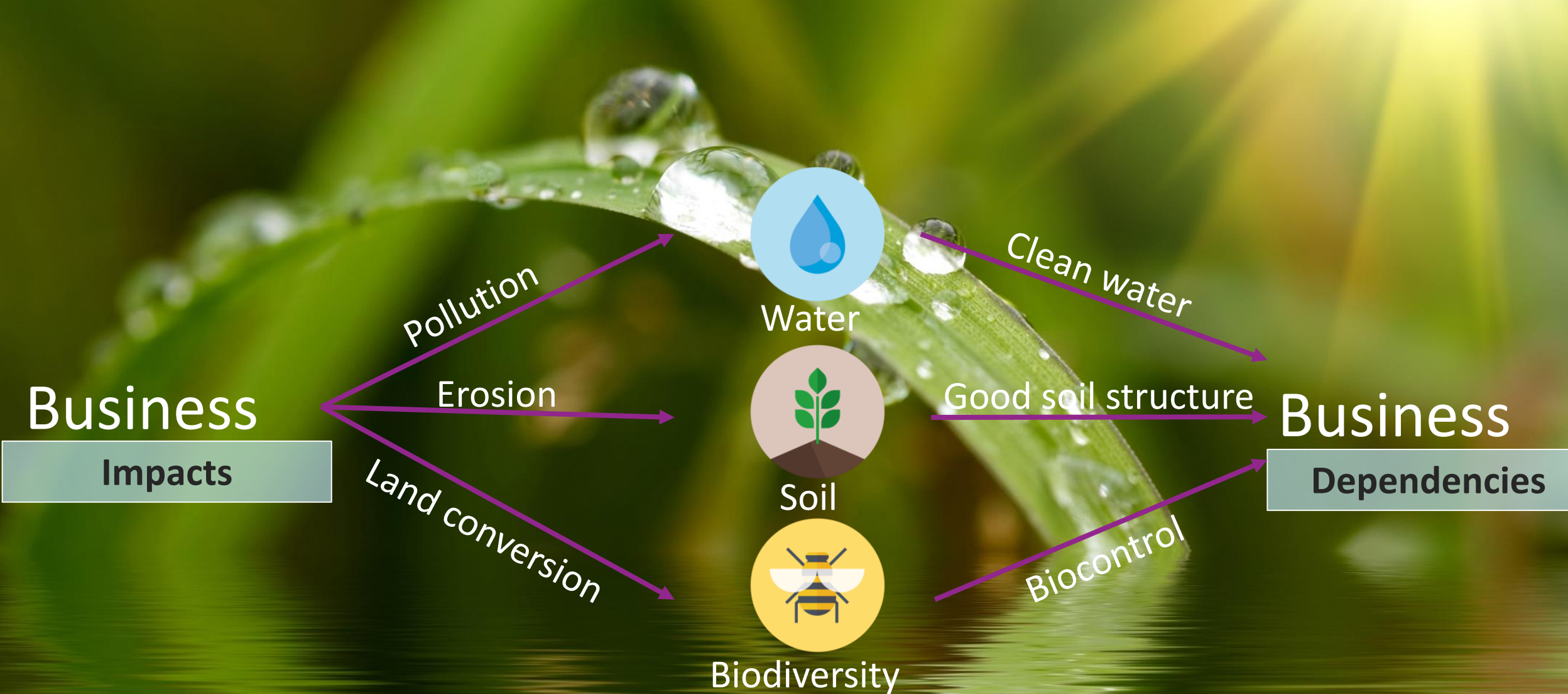
**Unsustainable farming methods are currently stripping the topsoil of nutrients at 10 to 40 times the rate that it can be naturally replenished with major consequences for company productivity<sup>3</sup>.**

“We cannot sacrifice the long-term dependencies of our business upon water, biodiversity and soil for short-term gains.”

**José Lopez**





































Ex-Executive Vice President, Nestle S.A

# Impacts and dependencies



# Kering EP&L

- Business rationale to understand and reduce their impacts
- Missing biodiversity...

	TIER 0: STORES WAREHOUSE OFFICES	TIER 1: ASSEMBLY	TIER 2: MANUFACTURING	TIER 3: RAW MATERIAL PROCESSING	TIER 4: RAW MATERIAL PRODUCTION
AIR EMISSIONS 					
GHGS 					
LAND USE 					
WASTE 					
WATER CONSUMPTION 					
WATER POLLUTION 					

# Healthy Ecosystem Metric



## Measure

the impact from sourcing raw materials on **biodiversity**, **soil** and **water** in global supply chains



## Drive

**credible impact data** that companies can use to **develop targets or KPIs**



## Identify

**high-risk** locations where a company is most likely to experience **biodiversity**, **soil** and **water** risks or create negative impacts



## Inform

**response strategies** to safeguard natural capital and drive **improved business performance**

# Bringing biodiversity into the heart of business led natural capital approaches



# The Challenge

- Biodiversity is still seen as immaterial to many companies
- Biodiversity concerns tend not to be considered across business units
- Biodiversity is often missed in natural capital assessments
- Benefits from biodiversity are not fully captured
- Simple, practical advice is missing to support business in overcoming these challenges

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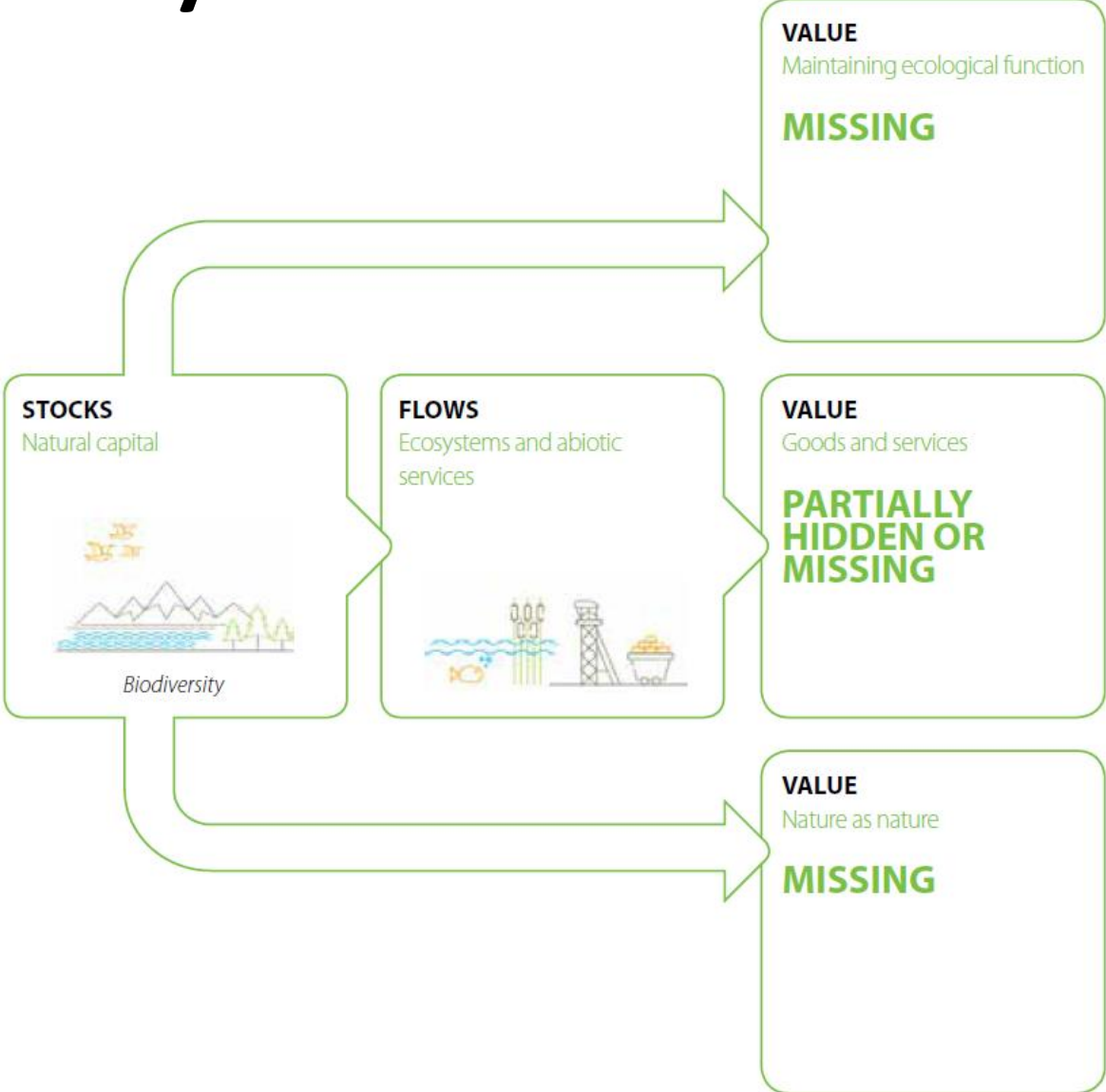
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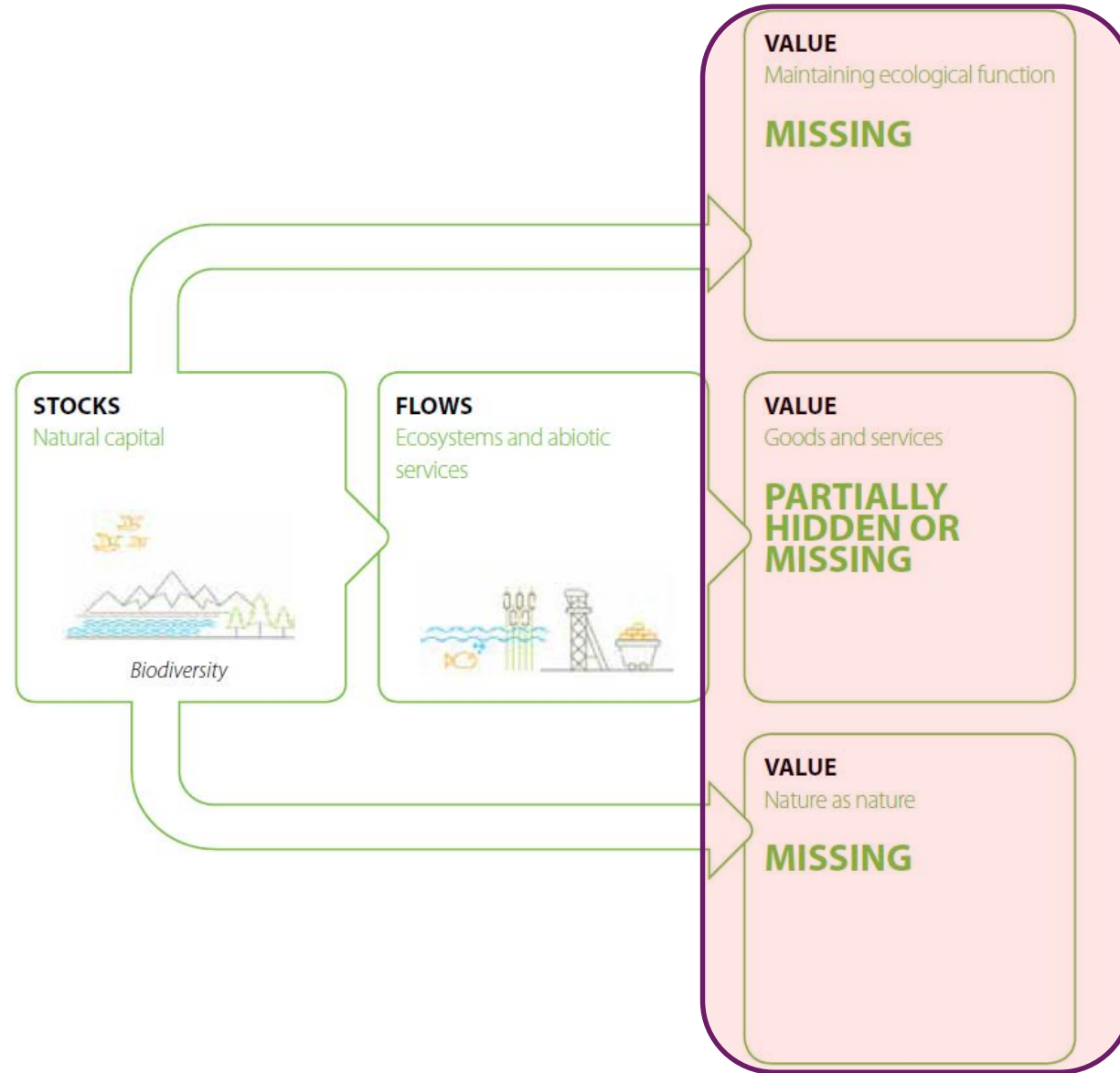
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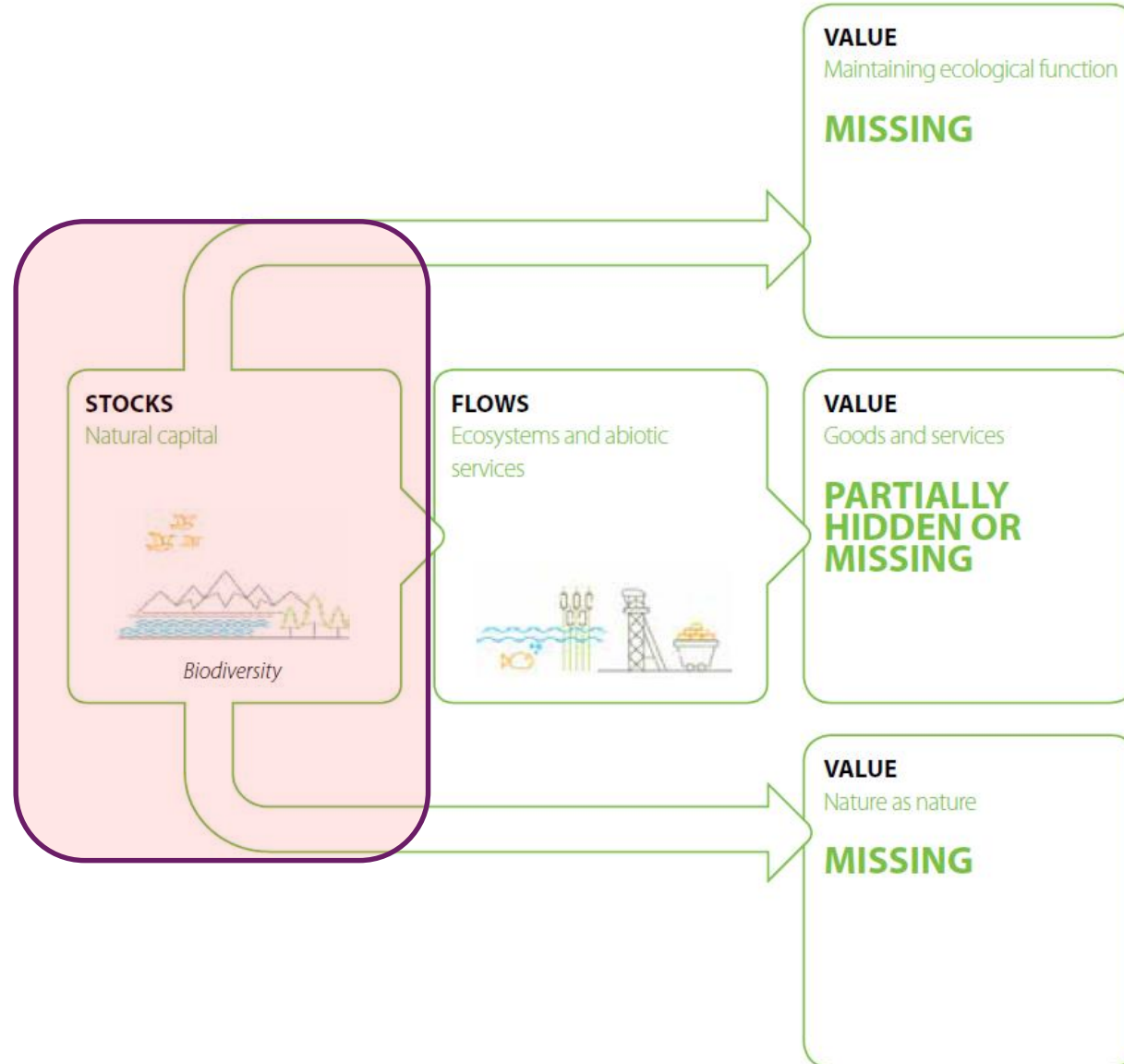
# Biodiversity values



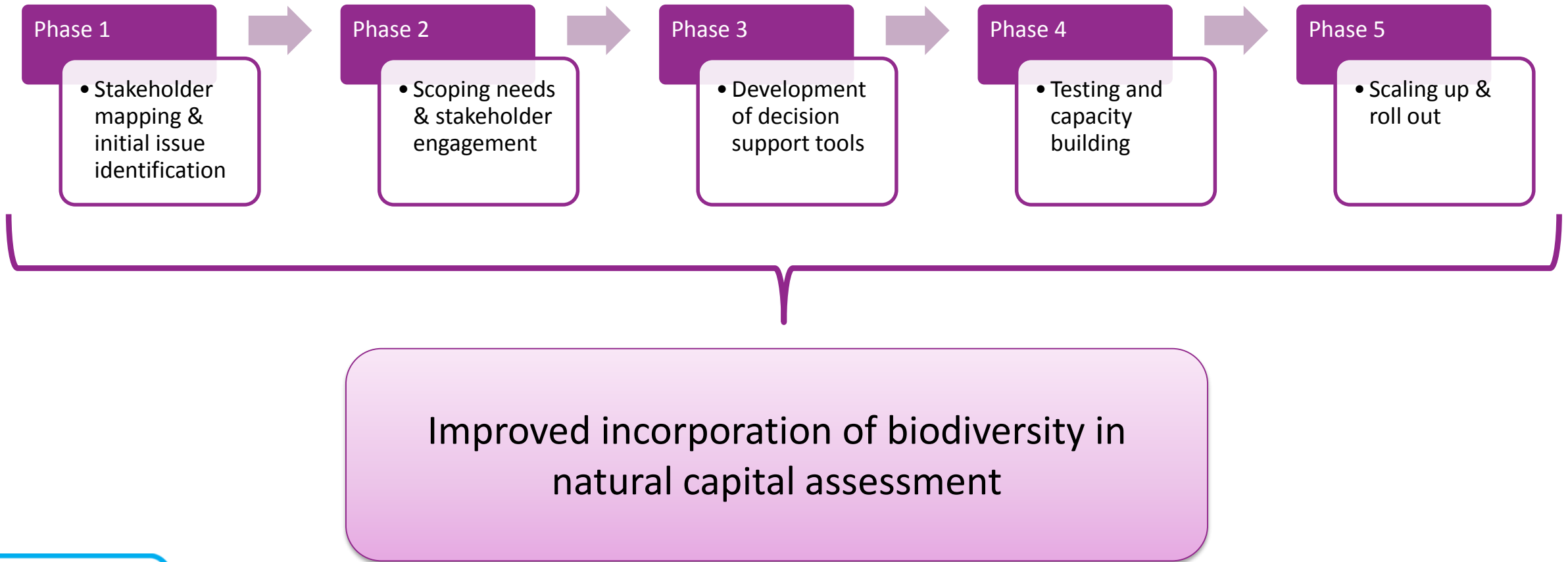
# Should we fill in the missing gaps?



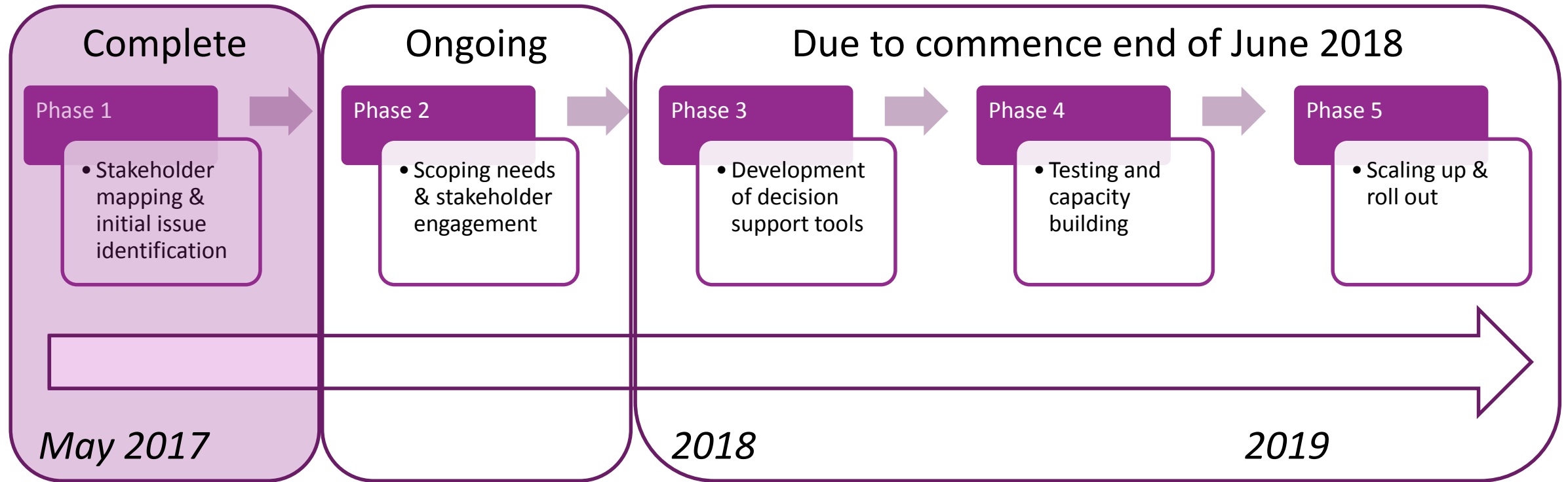
# Should we think about the 'stock'?



# Project objectives

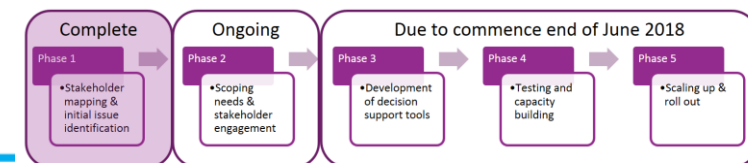


# Project timeline



# What are companies saying?

- Reasonable understanding of biodiversity and ecosystem services, but *relationship with natural capital* less clear
- Biodiversity still viewed as a *fringe issue*
- Only material for companies with *direct impacts* on land, or in biodiverse regions
- *Dependencies* rarely recognised
- Natural capital assessments focus on *water* and *carbon*



# THE ASK?

What do you need for  
assessment

“  
Regula

What do **YOU** think?



diversity risk

“  
Need to

Please share the **extractives**  
perspective

sectors, diverse

“  
Enabling env  
biodiversity  
asons to consider

between biodiversity  
scientists and businesses is required

“  
Need metrics & monetization  
methods

**Contact Dr Gemma Cranston**

**Director, Natural Capital**

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[www.cisl.cam.ac.uk/natcap](http://www.cisl.cam.ac.uk/natcap)

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